

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
FACILITIES COMMITTEE
FLORIDA INTERNATIONAL UNIVERSITY, MIAMI
June 29, 2022

*Video or audio archives of the meetings of the Board of Governors
and its Committees are accessible at <http://www.flbog.edu/>.*

Governor Charles Lydecker, Chairman, convened the Board of Governors Facilities Committee meeting at 3:14 p.m. (ET) on June 29, 2022. The following members were present: Steven Scott, Edward Haddock, Ken Jones, Brian Lamb, Craig Mateer, William Self, and Eric Silagy. Other Board members present included: Tim Cerio, Richard Corcoran, Manny Diaz, Jr., Aubrey Edge, Patricia Frost, Nimna Gabadage, and Alan Levine.

1. Call to Order and Opening Remarks

Chairman Lydecker called the meeting to order.

2. Minutes of Committee Meetings

Chairman Lydecker moved that the committee approve the minutes of the Facilities Committee meeting held on March 30, 2022, at the University of North Florida. Governor Jones moved to approve, Governor Scott seconded the motion, and the motion carried.

3. 2022-23 Capital Improvement Fee Project Funding Allocation

Chairman Lydecker presented the next item, the annual approval of the university's proposed Capital Improvement Fee project lists. For FY2022-23, the Board requested in the FCO LBR \$44.7 million in CITF funding which was subsequently appropriated. The amount allocated to each university is pro-rated based on fees they collect throughout the year, net of debt service, and a statutory carve-out for childcare centers. Eligible projects include student-related facilities, such as student unions and recreational amenities, each of which is selected in consultation with the Student Government Association (SGA). Each university's proposed project list has been reviewed by Board staff and consolidated into one list.

Chairman Lydecker opened the floor to questions; Governor Lamb ask if the students from the respective campuses were allowed to voice their support for the use of the CITF. Director of Finance and Facilities, Mr. Kevin Pichard, advised that a certification was incorporated this year to ensure that the universities have engaged the SGA for each one of these projects.

Hearing no additional questions, Chairman Lydecker asked for a motion to approve the 2022-23 CITF allocation and project list, as well as authorize the Chancellor to approve adjustments within a university's allocation as may be requested by the university board of trustees. Governor Jones moved to approve, Governor Silagy seconded the motion, and the motion carried.

4. University of South Florida Transfer of CITF Funding

Chairman Lydecker then introduced the next agenda item which was a request from the University of South Florida to reallocate unspent CITF funding, totaling approximately \$2 million from previously approved projects to the construction of a new swimming pool to be located near residency halls, the student union, and the wellness center. The project, called St Petersburg Campus Co-Curricular & Wellness Facilities, has the support of the campus student government, campus leadership, and its campus advisory board, and it was approved by USF's board of trustees late last year.

Chairman Lydecker opened the floor to questions; hearing none, the Chairman requested a motion to authorize the reallocation of \$2,055,429 in CITF funding from the previously approved projects to the newly proposed project titled, "St Petersburg Campus Co-Curricular and Wellness Facilities." Governor Haddock moved to approve the motion and Governor Jones seconded; the motion carried

5. UWF Educational Plant Survey

Chairman Lydecker recognized Director of Finance and Facilities, Kevin Pichard to discuss the UWF Educational Plant Survey.

Mr. Pichard provided an overview of the statutorily required EPS process. Mr. Pichard further explained in detail the two-phase process involved in conducting an educational plant survey which includes the validation and needs assessment of the university's E&G space and ensures the university does not exceed the calculated space need. The survey team also consults with the university and may recommend planned capital projects for the next five years which may include, demolition, renovation, remodeling, infrastructure, and new projects.

Chairman Lydecker requested that Mr. Pichard expand his overview to include the changes/evolution of the EPS process. To which Mr. Pichard responded that over the last ten years there have been several changes to the process including adjustments to metrics and factors used to determine space needs for the universities.

Chairman Lydecker called for a motion to validate the University of West Florida's Educational Plant Survey. Governor Mateer moved to approve, Governor Scott seconded the motion, and the motion carried.

6. FPU Educational Plant Survey

Chairman Lydecker called upon Mr. Pichard to discuss the highlights of FPU's Educational Plant Survey.

Mr. Pichard stated that FPU went through the same process as UWF. However, the survey team recommended a project that exceeded the space needs. The project was a 42,000-square-foot Student Achievement Center, which will allow FPU to move administrative office space at Polk State College to campus thereby allowing for better utilization of space and the ability to better serve the students.

Chairman Lydecker opened the floor for questions. There being none, the Chairman called for a motion to validate the Florida Polytechnic University Educational Plant Survey. Governor Self moved to approve, Governor Jones seconded the motion, and the motion carried.

7. USF Educational Plant Survey

Chairman Lydecker then recognized Mr. Pichard to present the highlights of USF's Educational Plant Survey.

Mr. Pichard stated that USF went through the same aforementioned survey process and the findings were that USF had a significant space deficiency. The survey team recommended several renovation and remodeling projects as well as 318,000 NASF in new space over the next five years.

Chairman Lydecker opened the floor for questions. There being none, the Chairman called for a motion to validate the University of South Florida Educational Plant Survey. Governor Jones moved to approve, Governor Self seconded the motion, and the motion carried.

8. Revisions to the PECO Project Scoring Methodology

The next agenda item introduced by Chairman Lydecker was a request to review and approve revisions to the PECO project scoring methodology. In 2021, the committee approved a plan to help address the backlog of deferred capital replacement and renewal needs in the system. The plan contained several recommendations, one of which was to consider revising the scoring methodology to place greater emphasis on renovation and remodeling projects. The Board staff has provided recommended revisions to the methodology, as requested. Chairman Lydecker recognized Mr. Kevin Pichard to provide a brief overview of the changes.

Mr. Pichard shared that Board staff reviewed the six criteria that make up the scoring methodology which mirror what is in section 1001.706, Florida Statutes, and proposed the following changes:

Criteria #2 and #5 increase the points from fifteen to twenty to emphasize renovation and remodeling projects. Criteria #3 and #6 decrease the points for new construction projects especially those with private funding (donations, equity, and debt).

After further discussion, there was some concern regarding the defining language in criteria #6. The committee decided to table the decision at this time and have the Board staff revert to the original twenty points. Chairman Lydecker tasked Board staff with

revising the language in the PECO Scoring Matrix and re-present it to the Board on June 30, 2022.

9. Authorization to Issue Debt; \$66.5M for FSU Student Union

Chairman Lydecker presented the next item on the agenda regarding a proposal by Florida State University to authorize the issuance of debt in the amount not to exceed \$66.5M to reimburse a portion of the cost incurred by the university and foundation in connection with the funding of construction for a new student union.

Chairman Lydecker recognized Mr. Pichard to provide a high-level overview of the proposed transaction.

Mr. Pichard explained that the structure of the bond deal is in line with statute and debt management guidelines. FSU has taken a conservative approach with a twenty-year repayment and the deal has been vetted through the Division of Bond Finance and Board staff.

Chairman Lydecker opened the floor for questions or comments. Hearing none, the Chairman requested a motion to adopt a resolution approving the issuance of bonds by the Division of Bond Finance (DBF), on behalf of Florida State University, in an amount not to exceed \$66.5M, to reimburse a portion of the cost incurred by the university through the construction of a new student union. Governor Mateer moved to approve, Governor Scott seconded the motion, and the motion carried.

10. Evaluation of Space Needs Calculation Methodology

Chairman Lydecker introduced the approval of the 2022 Evaluation of the State University System's Space Need Calculation Methodology. This is a statutorily driven process required of the Board Office every 3 years with the first one completed in 2019. Chairman Lydecker commended the Board staff, as well as contributing university staff, for their efforts over the past year in bringing this to completion. He further stated it's an informative evaluation, with observations and recommendations that will require considerable effort and focus to accomplish but will yield considerable enhancements and efficiencies. Chairman Lydecker recognized Mr. Pichard to provide the Committee with an overview of the process and the evaluation.

Mr. Pichard explained that the evaluation process is a statutorily driven process that involves Board staff as well as input from the universities. The evaluation included a survey for the universities which allowed them to provide feedback. That feedback, as well as the information derived from the board staff review and the observation from the Council of 100, will all be taken into consideration as the Board works to shape regulation to govern the space needs calculation process and the assessment of university educational space needs.

Chairman Lydecker opened the floor to questions or comments. Hearing none, requested a motion to approve the 2022 Evaluation of the State University System's Space Needs Calculation Methodology and submit it to the chairs of the House of

Representatives and the Senate appropriations committees no later than October 31, 2022, pursuant to Statute. Governor Jones moved to approve, Governor Scott seconded the motion, and the motion carried.

11. GAA Section 197- Deferred Building Maintenance Program, Condensed Project List

Chairman Lydecker introduced the last agenda item which was the review and approval of the condensed project list required for the 2022-23 GAA Section 197 Deferred Building Maintenance Program from which the SUS was appropriated over \$443 million. The backlog of deferred capital renewal and replacement within the SUS, estimated at approximately \$1.6 billion, has been well-vetted over the past year. Chairman Lydecker recognized Mr. Kevin Pichard to walk the committee through this item

Mr. Pichard gave a brief overview. The deferred building maintenance program required the Board to use the information from the estimated \$1.6 billion in deferred maintenance and condense it down to show how the dollars would be spent. The universities identified the most critical projects for funding from the \$443 million.

Governor Silagy commented that universities should look at this as an opportunity and move forward with plans to address the issue of deferred maintenance and manage the assets of the taxpayers.

Chairman Lydecker opened the floor to questions or comments; hearing none, the Chairman called for a motion to approve the State University System's consolidated list of maintenance, repair, and renovation projects, pursuant to the 2022-23 GAA Section 197 Deferred Building Maintenance Program and submit same to the Legislative Budget Commission no later than August 15, 2022. Governor Scott made the motion to approve, Governor Jones seconded, and the motion carried.

12. Concluding Remarks and Adjournment

There being no further business, Chairman Lydecker adjourned the meeting at 4:39 p.m. (ET) on June 29, 2022.

Kevin Pichard, Director of Finance and
Facilities

Charles Lydecker, Chairman

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Governor Charles Lydecker, Chairman, convened the Board of Governors Facilities Committee meeting at 10:22 a.m. (ET) on June 30, 2022. The following members were present: Steven Scott, Edward Haddock, Ken Jones, Brian Lamb, Craig Mateer, William Self, and Eric Silagy. Other Board members present included: Tim Cerio, Richard Corcoran, Manny Diaz, Jr., Aubrey Edge, Patricia Frost, Nimna Gabadage, and Alan Levine.

1. Call to Order and Opening Remarks

Governor Lydecker called the meeting to order

2. Revisions to the PECO Project Scoring Methodology

Chairman Lydecker reviewed the proposed changes to the scoring matrix from the previous day's meeting, which included the reduction in points to emphasize remodeling and renovation projects over new construction. Director of Finance and Facilities, Mr. Kevin Pichard, also adjusted the matrix to reflect the input from the Board. Therefore criteria # 6 was restored to the original 20 points and revised the term private sources to include only private gifts and donations as well as removed the term "sources" from the gifts and donations as the definition for funding types.

Governor Lydecker opened the floor to questions or comments. Governor Scott asked if there should be terms such as restricted or unrestricted funds in the definitions. After a brief discussion, it was determined that adding either term was unnecessary.

Chairman Lydecker requested a motion to approve the revisions to the PECO Project Scoring Methodology as presented. Governor Silagy moved to approve the motion, Governor Mateer seconded, and the motion was carried.

3. Concluding Remarks and Adjournment

There being no further business, Chairman Lydecker adjourned the meeting at 10:28 a.m. (ET) on June 30, 2022.

Kevin Pichard, Director of Finance and
Facilities

Charles Lydecker, Chairman